

Audit Expectations and the Supplemental AFR

Treasurers
August 2021

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Audit Reports

Annual financial reports - Gateway

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ANNUAL FINANCIAL REPORT (AFR)

- IC 5-11-1-4(a): “The state examiner shall require from every audited entity financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3-8.7”



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Audit of AFR

- IC 5-11-1-9 requires the State Examiner to examine all accounts and all financial affairs of every public entity.
- What is the purpose of the audit?
 - Place an opinion on the financial statements of the county
 - To report on identified non-compliance
- All departments of the county are subject to audit?
 - Treasurer cash book and bank reconciliation are integral parts of the audit of the financial statements and will always be part of the audit process



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Audit Preparation

- Records needed
 - Records Uploaded
 - Bank Reconciliation- monthly
 - Outstanding Check List - monthly
 - Bank Statements –monthly
 - Cash Book –monthly
 - Investment Report –end of year
 - Reconciliation of funds ledger with Auditor (Form 61)
 - Check Register and Receipts
 - Internal Controls



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Audit Expectations

- All transactions (receipts and disbursements) are posted to the cashbook
 - Records are up to date
 - All adjustments to the cashbook are supported and approved
- Funds ledger reconciles to the Auditor's Fund ledger
- Bank statements completed monthly
 - Ending bank balance should be reconciled to cash book balance
 - All reconciling items should be identified and supported and errors corrected
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Audit Conclusion

- Field Examiners will discuss any issues with you throughout the audit process
- Audit Report consists of two reports
- Financial Report
 - Opinion of Financial Statements
- Supplemental Report
 - Any findings listed by Department
 - Official response



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Supplemental AFR

Treasurer

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Funds Ledger – County Auditor

- The Funds ledger includes all of the funds of the county
- General Fund
- Special Revenue Funds
- Remittance Funds
- However, if there are funds maintained outside of the Auditors Fund ledger and some outside of the county treasury, those funds must be added to the annual financial report for the report to be complete.
- **Treasurer**
- Clerk
- Sheriff



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ANNUAL FINANCIAL REPORT

- Auditor uploads onto Gateway the Counties Funds Ledger
- Beginning Balance, Receipts, Disbursements and Ending Balance
- Auditor will manually add the funds for the supplemental funds
- Beginning Balance, Receipts, Disbursements and Ending Balances
- The Supplemental Annual Financial Report is the responsibility of the official that completes and certifies the form
- The information on the Supplemental Annual Financial Report should tie to the financial records of the office



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LOCATION OF TEMPLATE

- www.in.gov/sboa
- Navigate to Counties page under Political Subdivisions
- Scroll down to the section “Gateway”
- Expand the menu for Annual Financial Report
- Click on link for Supplemental Annual Report
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Supplemental Annual Financial Report

RETURN THE COMPLETED FORM TO THE OFFICIAL OF THE GOVERNMENTAL UNIT BY JANUARY 20TH.

Name of Governmental Unit: _____ Contact Person: _____

Office Name: _____ Phone Number: _____

Year: _____ E-mail Address: _____

List all accounts/funds managed by this office

Fund Name	Beg. Investment Balance	Ending Investment Balance	Beginning Cash Balance	Other Receipts	Other Disbursements	Ending Cash Balance	New Fund

Certification: This is to certify that the data contained in this report is accurate and agrees with the financial records, to the best of my knowledge and belief.

Signature of Dept Official: _____ Title: _____

Printed Name of Dept Official: _____ Date Signed: _____



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Supplemental Annual Report Instructions

- Part I – Contact Information
- Part II – Fund Name: Identify the fund
 - After Settlement Collections
- Part III – Beginning Investment Balance: Show the investment, if any at the beginning of the year
- Part IV – Ending Investment Balance: Show the investment, if any at the end of the year
- Note if an investment is cashed in, this becomes part of the cash transactions



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Supplemental Annual Report Instructions

- Part V – Beginning Cash Balance: this balance should agree with prior year report
- Part VI – Receipts: This the total receipts to the fund for the year.
- Part VII – Disbursements – This is the total disbursements from the fund for the year
- Part VII – Ending Balance-This amount should agree to the total on your cash book or ledger for December 31
- Part X – Certification



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Name of Governmental Unit:	Pleasant County	Contact Person:	J. Phil Didout				
Office Name:	Treasurer	Phone Number:	(317) 657-5309				
Year:	2020	E-mail Address:	JP@pleasantcounty.in.gov				
List all accounts/funds managed by this office							
Fund Name	Beg. Investment Balance	Ending Investment Balance	Beginning Cash Balance	Other Receipts	Other Disbursements	Ending Cash Balance	New Fund
After Settlement Collections			3,095,272	4,195,585	3,095,272	4,195,585	



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Beginning Balance and Disbursements

- Beginning balance should tie to your previous supplemental AFR ending balance.
 - Look for a file with last year's Supplemental AFR
 - Look at the prior year's AFR on Gateway <https://gateway.ifionline.org>
- Beginning balance should also be your cash book balance from the prior year for property tax and other taxes sections.
 - Look at prior years Cash Book for last business day of the year.
- Disbursements – Use the same number as the beginning balance. This reverses out last year's beginning balance.



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Annual Financial Report -2020

	Local Fund Number	Local Fund Name	Beg Cash & Inv Bal Jan 1, 2020	Receipts	Disbursement	End Cash & Inv Bal Dec 31, 2020
Governmental Activities	01	County Treasurer Cash Account	\$3,095,272.66	\$3,596,318.91	\$3,095,272.66	\$3,596,318.91



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Receipts and Ending Balance

- Receipt and Ending Balance are the same amount, and that number comes from the current year's Cash Book on the last business day of the month.
- Add the Total Property Tax Collections and the Total Other Sources section together to determine the ending balance.



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Issues with Supplemental Report

- Ending balance from the prior report is not correct.
 - Complete the supplemental report for 2020 with the correct balance document the reason the beginning balance does not tie to prior report
- Ledger is not reconciled to bank and investment statements
 - Complete reconciliation as accurately as possible, contact Ricci or Lori for advice on Supplemental AFR.



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QUESTIONS



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